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SERVICE

USDA'S REPORT TO CONSUMERS

U.S. DEPARTMENT OF AGRICULTURE • OFFICE OF COMMUNICATION • WASHINGTON, D.C. 20250

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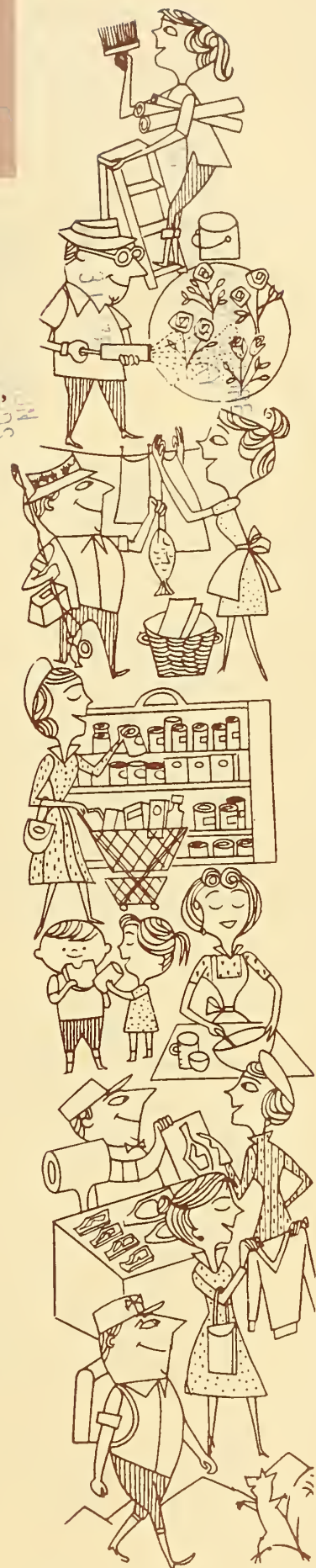
No. 152

USDA HELPS FILL THE BILLS

For Food And Utilities And Rent. Two USDA agencies, the Food and Nutrition Service (FNS) and the Farmers Home Administration (FmHA), recently initiated programs designed to help low-income families with some of life's more expensive problems--food, utilities and rent:

Food and Utilities. Under new rules announced by FNS, food stamp households may have the cost of their food stamps reduced if their heating and other utility bills rise. The rules, which become effective Jan. 1, 1978, require state welfare agencies to count a household's most recent utility bills in computing the household's food stamp purchase price. Also, states are directed to recompute purchase prices within 10 days when a household's most recent utility bills increase more than \$25 over those used to certify the household initially. Last winter, utility costs rose sharply for many food stamp households, but some did not get the corresponding increase in their shelter deduction--the principal deduction in computing food stamp allotments--which would have lowered the food stamp purchase price. The new rules should help food stamp families avoid having to choose between eating and heating.

And Rent. Low-income families and senior citizens who live in rural areas can get help with the monthly "rent due" under a new FmHA program. The program is designed to reduce out-of-pocket cash that families must pay for rent. To qualify for the rental assistance program, a family must live in a rental housing project financed by FmHA and pay rent that exceeds 25 percent of its adjusted annual income. Several factors are involved in arriving at just what a family's income would be. Families who think they might qualify should contact the local FmHA office and let the county supervisor do the arithmetic. However, money for rent assistance does not go directly to the renter. Rather, payments are made to eligible landlords to enable reduction of rents and, in some cases, reimbursement for tenants' utility expenses. To be eligible, landlords must operate FmHA-financed apartment units on a limited- or non-profit basis. Landlords may apply at any time to the local FmHA office to participate in the program.



WINTER FOOD PREVIEW

Consumers can look for retail food prices to edge up only 4 to 6 percent in 1978. This compares with 1977, when even though farm prices remained relatively low, consumer prices still increased 6.5 percent. The big push behind the price hikes in both 1977 and 1978 is the escalation of costs to transport, process, wholesale, retail, and distribute food once it leaves the farm.

Shoppers at the meat counter will have plenty to choose from. Hog producers and cattle feeders are taking advantage of the record high supplies and low prices of feed grains, so meat production the first half of 1978 will be 1 or 2 percent above a year ago. Total beef production, however, may be a little skimpier. Average retail meat prices will be going up slightly due to brisk consumer demand and the jump in processing and marketing costs. Beef prices will probably creep up from their recent \$1.41 a pound; pork will still be a best-red-meat buy.

On to the poultry counter, there will be a wide selection of broilers and turkey. Americans have been eating more chicken: per capita chicken consumption set a new record in 1977 and the trend is likely to continue. Chicken prices should remain a little below the early 1977 prices, but with lively demand, the smaller beef supplies, and the rising marketing costs, there probably will not be a sharp price drop.

Consumers can look for a few more eggs on the shelves through mid-1978, thanks to more hens to lay the eggs and more eggs per hen. Egg prices have been relatively low since last winter and prices have not followed their usual seasonal increase.

There will be no shortage of milk in the dairy cases this winter, but economists are expecting prices to inch up for milk and dairy products--a seasonal occurrence. American cheese prices, which rose slightly this fall, may creep up further in the near future if the cheese's popularity continues.

Tuna and shrimp should be plentiful, but these foods are also increasing in popularity. Fish prices are expected to average 7 percent higher next year, compared with an estimated 10-percent rise in 1977.

Fresh fruit prices have dropped seasonally in the last few months. They may fall some more this winter. We are still feeling the effects of last year's freeze in Florida--winter orange supplies will be sharply smaller. The Valencia orange crop will be bigger, unless we have another streak of bad weather. Experts are predicting a record large grapefruit crop which will more than likely lower the price for consumers. Eight percent more apples were harvested this year. Even though processors will be using more apples, all varieties of fresh are still plentiful. Prices for winter pears will go up as the supplies shrink.

If Old Man Winter cooperates, shoppers will have ample supplies of fresh vegetables this winter. Producers planted more acres of most vegetables for fresh market, with the exceptions of celery and spinach. Vegetable prices will make their seasonal increase this winter, but they'll still average a bit below last year when the freeze hit. The prices of potatoes will drift up during the winter, following harvest-time low prices in the fall. Dry bean supplies are down 7 percent from a year ago, so prices will be up a shade.

There will be generous supplies of canned vegetables on the grocery shelves, and prices should hold steady. But frozen vegetable supplies are down some. Frozen vegetable prices, which rose last summer, should remain up there this winter.

Shoppers will find canned noncitrus fruit prices also averaging moderately higher. Orange juice drinkers will find that lower supplies of frozen concentrated orange juice are keeping consumer prices up. Raisin lovers, however, are in luck--supplies are up from last year's rain-damaged crop and prices are declining. There will also be more dried prunes.

The news on cereals and bakery goods is that larger supplies and lower prices for major ingredients in baked goods will almost offset higher processing and marketing costs. There are ample supplies of cereals and bakery products in the store, although consumer prices will still be 4 to 5 percent above a year ago.

Price tags for margarine, shortening, salad or cooking oils, and salad dressings will stay near or slightly above current prices.

INSULATION STANDARDS

To Aid Against Winter Chill And Summer Simmer. Houses financed by loans from USDA's Farmers Home Administration will be warmer in the winter and cooler in the summer. The more than 100,000 houses FmHA expects to finance during fiscal year 1978 will be more energy efficient than previously FmHA-financed houses. They will be more fuel-cost efficient, thus more family-budget efficient, thus more just-plain-comfort efficient. The reason: new insulation standards developed by FmHA. The new standards, which become effective on March 15, 1978, will require higher levels of insulation in ceilings, walls and floors and more energy-efficient doors and windows in newly-constructed houses. In addition, requirements deal with such construction features as caulking and weatherstripping, design of heating systems and vapor barriers. Existing houses purchased with FmHA loans will be required to be insulated to as near the standards for new houses as is economically feasible. As the climates vary--which they do considerably in this country--so do specific requirements of the new standards so as to provide the most practical and effective insulation for different climate zones. For details on the new standards and requirements for your own area, check with your local FmHA office. Offices are usually located in county seat towns and listed in the telephone directory under U.S. Government.

NEW PUBLICATIONS AVAILABLE

With Children In Mind. USDA's Food and Nutrition Service has some new publications that explain two of its food assistance programs. Pregnant and nursing mothers who need help in getting good nutrition can learn about the Special Supplemental Food Program for Women, Infants, and Children--commonly known as WIC--in a new booklet, "How WIC Helps--Eating for You and Your Baby" (PA-1198). The WIC programs provide milk, cheese, eggs, vegetables, or fruit juice, and iron-fortified cereal to eligible pregnant and nursing women. The booklet explains what these foods do for the body and gives suggestions on how to use them. A plan of what pregnant and nursing women should eat each day is also included. A second publication, "Food For Kids," tells how child care centers and family and group day care homes can participate in the child care food program. The four-page brochure gives information on the kinds of federal assistance the centers and homes can receive and includes information on eligibility and program requirements for participation. Single free copies of either of the publications may be requested from the Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Means Heat Inside. Engineers of USDA's Agricultural Research Service have designed a spiffy and talented house. It has 1,100 square feet of living space that includes three bedrooms, a bath, a living-dining room combination, kitchen, laundry and garage. Besides being attractive, the house can supply up to 75 percent of its own heat almost anywhere in the U.S. you build it. That is, if the sun also rises, for the key to the house is solar heat. The house design involves a solar heat collector made of fiberglass reinforced plastic panelling. The collector can be built on the front or back roof of the house but it must face south for maximum sun exposure. Heat is collected in the attic, which is painted black, and transferred into the house through a system of ducts. Or, it can be diverted to a layer of crushed rock beneath the house for storage and use at night or on cloudy days. A solar water heater can be added. Working drawings of the house are available from Extension Agricultural Engineers of the Cooperative Extension Service located at land grant universities. Ask for Plan No. 7220, Solar House. There is usually a nominal charge for the plans. If you do not know where your land grant university is, write: Agricultural Engineer, Extension Service, U.S. Department of Agriculture, Washington, D.C. 20250. Your request will be forwarded to the land grant university in your state.

CHARTING THE COURSE

Of Agriculture And Consumers And Other Trendy Things. The 1977 Handbook of Agricultural Charts, with its lines, dots, blocks, pie wedges and bars, is a graphic portrayal of trends in America's agriculture--among other things. Included in the new Handbook are sections on: The Farm; Natural Resources; Population and Rural Development; The Consumer; Food and Nutrition Programs; Foreign Production and Trade; and Commodity Trends. Besides some 250 charts, the Handbook has explanatory notes and additional information on the various topics charted. Such informative items as: "About 64.7 percent of U.S. households owned a home in 1976" and "About 12 percent of the Nation's crop acres are irrigated and account for about a fourth of the value of crop production" and "Potatoes--the most popular vegetable in the U.S.--are being purchased more and more in processed form" and ". . .the proportion of husband-wife families in which both spouses work has increased--to 47 percent in 1975." Single free copies of the 1977 Handbook of Agricultural Charts (AH-524) can be obtained from the Publications Unit, Room 0054-S, Economic Research Service, U.S. Department of Agriculture, Washington, D.C. 20250.

THE GREAT AMERICAN FARM

Who Lives There? Some 8¼ million people lived on American farms in April 1976, according to the latest available USDA figures. This is 3.9 percent of the total U.S. population. There are about 600,000 fewer persons living on farms than in 1975 and almost 1.5 million fewer than in 1970. Since 1970, the number of farm children under 14 years of age has dropped by a third. Their proportion of all farm people has declined from 26 to 20 percent.

SERVICE is a monthly newsletter of consumer interest. It is designed for those who report to the individual consumer rather than for mass distribution. For information about items in this issue, write Lillie Vincent, Editor of Service, U.S. Department of Agriculture, Special Reports Division, Room 459-A, Washington, D.C. 20250, or telephone 202-447-5437.
